

HOUMA FIELD
06-725

LEGAL NOTICE

STATE OF LOUISIANA, OFFICE OF CONSERVATION, BATON ROUGE, LOUISIANA.

In accordance with the laws of the State of Louisiana, and with particular reference to the provisions of Title 30 of Louisiana Revised Statutes of 1950, a public hearing will be held in the Hearing Room, 1st Floor, LaSalle Building, 617 North 3rd Street, Baton Rouge, Louisiana, at 9:00 a.m. on **TUESDAY, JULY 11, 2006**, upon the application of **DENBURY ONSHORE, LLC**.

At such hearing the Commissioner of Conservation will consider evidence relative to the issuance of Orders pertaining to the following matters relating to the **Krumbhaar Zone, Reservoir E**, in the Houma Field, Terrebonne Parish, Louisiana.

1. To establish rules and regulations and create a single drilling and production unit for the exploration for and production of gas and condensate, such unit to be designated the KBR RE SUA.
2. To force pool and integrate all separately owned tracts, mineral leases and other property interests within the proposed unit, with each tract sharing in unit production on a surface acreage basis of participation.
3. To designate Denbury Onshore, LLC as the unit operator for the proposed unit.
4. To designate a unit well for the proposed unit.
5. To provide that any future wells drilled to the Krumbhaar Zone, Reservoir E, within or outside of the proposed unit, should be located in accordance with the spacing provisions of Statewide Order No. 29-E.
6. To provide that the Commissioner of Conservation should be authorized to reclassify the Krumbhaar Zone, Reservoir E, by supplemental order without the necessity of a public hearing if the producing characteristics of the reservoir change and evidence to justify such reclassification is submitted to and accepted by the Commissioner of Conservation.
7. To consider such other matters as may be pertinent.

The Krumbhaar Zone was previously defined in Office of Conservation Order No. 141-B-3, effective December 8, 1987, and is hereby further defined as being that gas and condensate bearing zone encountered between the depths of 11,986 feet and 12,330 feet, electrical log measurements, (11,832 feet and 12,176 feet, TVD), in the Hydrocarbon Mgmt., Inc. (formerly Wayman Buchanan) - B Cheramie Jr et al No. 1 Well (serial number 201180), located in Section 51, Township 16 South, Range 17 East, Terrebonne Parish, Louisiana.

A plat is available for inspection in the Office of Conservation in **Baton Rouge** and **Lafayette**, Louisiana.

www.dnr.state.la.us/CONS/CONSEREN/hearings/pubhearings.htm.

All parties having interest therein shall take notice thereof.

BY ORDER OF:

JAMES H. WELSH
COMMISSIONER OF CONSERVATION

Baton Rouge, La 6/5/06;6/8/06 L dnp

IF ACCOMMODATIONS ARE REQUIRED UNDER AMERICANS WITH DISABILITIES ACT, PLEASE ADVISE THE OFFICE OF CONSERVATION-ENGINEERING DIVISION AT P.O. BOX 94275, BATON ROUGE, LA 70804-9275 IN WRITING WITHIN TEN (10) WORKING DAYS OF THE HEARING DATE.

